

**Interlocal Cooperation Agreement  
for the Collection of Taxes  
between County of Wake and City of Durham**

THIS AGREEMENT made and entered into this \_\_\_\_\_, 2015, by and between the County of Wake, hereinafter referred to as “County,” and the City of Durham, hereinafter referred to as “City.”

WITNESSETH:

In consideration of the payment hereafter mentioned, the mutual promises herein contained and the mutual benefits to result therefrom, the County and City agree as follows:

I.

Pursuant to the provisions of Article 20, Interlocal Cooperation, Part I, Joint Exercise of Powers, of chapter 160A of the General Statutes of North Carolina, the County and the City agree to consolidate their tax listing and tax collecting departments, to the extent herein provided. This Agreement shall commence on July 1, 2015 and endure through and until June 30, 2020, unless terminated sooner as forth in Section XXIII of this Agreement.

II.

On and after the above date and continuing until terminated by either party, the listing of property and the billing for ad valorem taxes due the County and City for properties having tax SITUS within Wake County shall be under the supervision of the Wake County Revenue

Director; and ad valorem taxes due to the County and City including interest and penalties, shall be collected by the Wake County Revenue Director including the billing and collection of taxes levied on property in a special tax district; provided, however, this contract does not include the listing, billing and collection of any license taxes levied on the privilege of keeping domestic animals, including dogs and cats.

### III.

Except as herein otherwise provided, the listing of property and the billing for ad valorem taxes by the Wake County Revenue Director, and the collection of ad valorem taxes, interest and penalties by the Wake County Revenue Director shall be under the supervision of the Wake County Board of Commissioners.

### IV.

The City shall pay to the County for the listing, billing and collection of its real, personal, and public service ad valorem taxes the sum of two tenths of one percent (0.2%) of the municipal taxes collected, unless and until the County finds such payment does not defray the additional expense to the County for this service, in which event the City will be notified of the additional payment found to be necessary to reimburse the County for this service at least six months prior to the beginning of the fiscal year covered by the increased charge. The charge for the County's listing, billing and collection of such taxes shall be paid to the County out of the gross monies collected each day. The City shall also pay to the County the sum of two tenths of one percent (0.2%) on the gross receipts taxes on vehicle rentals and leases, and the gross receipts taxes on heavy equipment rentals and leases, collected on behalf of the City.

V.

The County shall administer only the listing of the ad valorem taxes on registered motor vehicles within the City, distribution of the net vehicle taxes, and vehicle fees collected by the State and deposited with the County. The registered motor vehicle taxes and vehicle fees shall be collected by the State and deposited with the County by the North Carolina Department of Transportation Fiscal office ("DOT Fiscal") net of statutorily allowed collection costs payable to the State per State reports. The County shall allocate the total costs withheld from the gross collections across every municipality based on each one's proportionate share of the collection costs and distribute the appropriate net collection of vehicle taxes and vehicle fees to the City. Transaction costs shall include costs for debit and credit card payments attributable to that municipality, the proportionate share of all other costs charged by the State.

VI.

Records showing separately the amount of County taxes assessed and collected and the amount of City taxes assessed and collected shall be maintained.

VII.

The Revenue Director shall furnish such bonds as are required by statute and in such amounts as the governing bodies of the County and City shall require conditioned upon the honest and faithful performance of their respective duties. Each taxing unit shall pay the premium on the bonds required by it.

VIII.

Insofar as practicable, and permitted by law, all steps in the listing of property, billing and collection of taxes of the County and City shall be combined to the end that the

consolidation of the County's and City's listing, billing and tax collection departments shall be given the full scope of the law.

IX.

Upon the discovery of unlisted property, the Revenue Director shall place it upon the tax scroll and, if said property is found to be within the limits of the City, it shall likewise be placed upon the scroll reflecting such location.

X.

Timely applications from taxpayers authorized by law to have their property considered for exemption or exclusion from ad valorem taxes, coming before the Revenue Director, shall be considered by him for both the County and the City.

XI.

Requests by taxpayers for relief from taxes and penalties imposed upon discovered property under G.S. 105-312(k), requests by taxpayers for relief from taxes assessed and for refunds of taxes paid under G.S. 105-381, and late applications from taxpayers authorized by law to have their property considered for exemption or exclusion from ad valorem taxes, shall be considered by the Wake County Board of Equalization and Review if in session or shall be considered by the Wake County Tax Committee with recommendations forwarded to the Wake County Board of Commissioners who shall decide such matters for both the County and the City and report their actions to the City.

## XII.

Taxes due to both taxing units shall be reflected on a single bill. In the event of partial payments on such consolidated bill, the amount of such payment shall be proportionately credited against taxes due each unit.

## XIII.

The tax records shall be audited annually by an independent certified public accountant chosen by the County; however, the City, if it desires, may, at its own expense, provide for the auditing of the records relating to taxes due it.

## XIV.

The County Revenue Director shall perform all duties imposed by law upon Municipal Assessor and Municipal Revenue Collectors with respect to the City's taxes having tax SITUS in Wake County; and shall perform all duties imposed upon County Assessors and County Revenue Collectors, with respect to County taxes, under the Agreements herein contained.

## XV.

With respect to taxes due on real property due both to the County and to the City, which may become delinquent after the effective date of this Agreement, the Revenue Director shall report them to the legal department of the County for foreclosure either under G.S. §105-374 or G.S. §105-375. Such action shall be brought in the names of both taxing units. In addition, the tax foreclosure action by the County shall include any delinquent assessments due the City.

XVI.

The City, during the term of this Contract, shall notify the Wake County Revenue Director of any area annexed by the City located in the County, and supply him or her with copies of the procedure used for such annexation, together with appropriate maps.

XVII.

During the term of this Agreement, the City shall at the end of each month supply the Wake County Revenue Director with a list of all new building permits issued by the City within the County identified as to the property involved with the name of the owner and of the tax map parcel number.

XVIII.

During the term of this Agreement, the Wake County Finance Office shall remit to the City all funds collected by it under the terms of Section IV of this Agreement on a weekly basis unless otherwise agreed. Ad valorem taxes on registered motor vehicles and vehicle fees collected by the State and remitted to the County shall be remitted to the City monthly or as soon as practicable.

XIX.

Penalties collected shall be properly apportioned between the County and City in those cases in which the same taxpayer makes payments on property taxable by the County and City.

XX.

The City shall be furnished monthly the details of any taxes added to or deleted from the charges on the records of taxes due the City, and the City shall be furnished an analysis of each year's levy when it has been compiled.

XXI.

The tax settlements shall be made annually by the Wake County Revenue Director before tax records shall be delivered to him for the subsequent year.

XXII.

This Agreement shall be effective on July 1, 2015 following its execution by the proper officials of each unit of government, and shall be recorded in the office of the Register of Deeds of Wake County.

XXIII.

This Agreement may be terminated by either party with at least six (6) months' prior written notice; however termination shall be effective only at the end of a fiscal year.

IN WITNESS THEREOF, the parties hereto have caused this instrument to be signed, in their respective names, by their proper officials all by authority of a resolution of the governing bodies of each of the taxing units, duly adopted.

ATTEST:

Wake County

\_\_\_\_\_

By: \_\_\_\_\_  
County Manager

ACKNOWLEDGMENT OF WAKE COUNTY

I, a Notary Public in and for the aforesaid County and State certify that

\_\_\_\_\_ personally appeared before me this day, and acknowledged that he or she is the Clerk to the Board of Commissioners for the County of Wake, a N. C. political subdivision, and that by authority duly given and as the act of the County, the foregoing contract or agreement with the City of Durham was signed in its corporate name by the County Manager, sealed with its corporate seal, and attested by its said Clerk. This the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Notary Public

My commission expires:

ATTEST:

THE CITY OF DURHAM

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Manager

Type or print name of person signing for the City: \_\_\_\_\_

ACKNOWLEDGMENT BY CITY OF DURHAM

Title of the contract: Interlocal Cooperation Agreement for the Collection of Taxes between County of Wake and City of Durham

I, \_\_\_\_\_, a notary public, certify:  
(Type or print name of Notary Public)

(1) \_\_\_\_\_ personally appeared before me



(Type or print name of City Clerk or Deputy City Clerk who attested)

in Durham County, N. C. on this day; (2) I have personal knowledge of her identity; and (3) she acknowledged that by authority duly given and as the act of the City of Durham, the foregoing document was signed in its corporate name by its \_\_\_\_\_ City Manager, sealed with its corporate seal, and attested by its said City Clerk or Deputy City Clerk.

This the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires:

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Contract Act.

\_\_\_\_\_  
Finance Director  
Wake County

\_\_\_\_\_  
Finance Director  
City of Durham